

VZCZCXYZ0000
OO RUEHWEB

DE RUEHKT #1576/01 1701318
ZNY CCCCC ZZH
O 191318Z JUN 06
FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1917
INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4485
RUEHLM/AMEMBASSY COLOMBO PRIORITY 4739
RUEHKA/AMEMBASSY DHAKA PRIORITY 9852
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2725
RUEHLO/AMEMBASSY LONDON PRIORITY 4138
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9884
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1840
RUEAIIA/CIA WASHDC PRIORITY
RUEHGV/USMISSION GENEVA PRIORITY 1185
RHEFDIA/DIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L KATHMANDU 001576

SIPDIS

SIPDIS

E.O. 12958: DECL: 06/19/2016

TAGS: [PGOV](#) [PTER](#) [NP](#)

SUBJECT: MAOISTS-PARTY AGREEMENT ON INTERIM GOVERNMENT

REF: KATHMANDU 1563

Classified By: Charge d'Affaires, Larry Schwartz. Reasons 1.4 (b/d).

SUMMARY

1. (C) Just one day after a Government-Maoist announcement that summit talks between Maoist leader Prachanda and Prime Minister G.P. Koirala would happen soon (reftel), the two leaders met and Maoist and Party negotiators announced an eight-point agreement on June 16. While the eight points are vague (full text in paragraph 13) the agreement calls for drafting an interim constitution in 15 days, forming of an interim government, the dissolution of the House of Representatives and Maoist local governments, and inviting the United Nations (UN) to manage and monitor the weapons of the Nepal Army (NA) and Maoists' People's Liberation Army (PLA). Party leaders and diplomatic colleagues alike are concerned that the agreement called for the dissolution of Parliament - the resurrection of which had been a key demand of the pro-democracy movement -- and the formation of an interim government before the Maoists agree to give up their weapons. The UN Resident Representative to Nepal told the Charge that he is working with the Government of Nepal (GON) on a draft request for the UN monitoring, but resulting in an announcement by Nepal's expectations for urgent action regarding monitoring appear "unrealistic." End Summary.

MAOIST AND PARTY LEADERS REACH EIGHT-POINT AGREEMENT

2. (SBU) After the Prime Minister and Maoist leader met, the government and the Maoists held day-long negotiations in the capital on June 16, resulting in an announcement by senior Maoist and Party leaders of an "historic eight-point agreement" that called for drafting an interim constitution within 15 days, forming an interim government, the dissolution of the House of Representatives and Maoist "people's governments," and inviting of the United Nations (UN) to manage and monitor the weapons of the Nepal Army (NA) and Maoists' People's Liberation Army (PLA). In a subsequent June 16 press conference, Maoist leader Prachanda stated "The House and the Maoist local governments will be dissolved and an interim government formed within a month. That's the spirit of the eight-point agreement signed today." He said

that constituent assembly elections should be held by April or May 2007. Prachanda hailed the agreement as an example for the world, but lamented that "The U.S. did not trust us and India could not understand us." CPN-UML General Secretary Madhav Kumar Nepal said the agreement proved that

SIPDIS

the Nepali people could resolve armed rebellion through dialogue.

PARTY LEADERS: AGREEMENT REACHED IN HASTE, CONCERNED ABOUT DISSOLVING PARLIAMENT

13. (C) The hastiness with which the agreement was reached and announced took almost all by surprise. Jhalanath Khanal, Central Committee Member of the CPN-UML, commented that because the agreement was reached in such a hurry there could be obstacles in implementing it. He suggested that Party leaders rushed to agreement due to the combination of Maoist pressure and their urgent desire to support peace and political stability in the country. Anil Jha, Joint General Secretary of the Nepal Sadbhavana Party - Ananda Devi (NSP-A) told us that the content of the eight-point agreement was positive, but noted that the negotiations happened in haste without consultation between Party leaders and Central Committee Members. He was displeased with the decision to dissolve Parliament. Soviet Bahadur Adhikari, Kaski District President, Nepali Congress-Democratic (NC-D), commented that the agreement was positive but lamented the lack of transparency in the negotiation process.

14. (C) Demonstrating their uneasiness with Maoist intentions, several politicians commented on the need now to see how the agreement was implemented. Dhawal Sumsher Rana, former mayor of Nepalgunj (far western border town) and member of the Rastriya Prajatantra Party (RPP) explained that the ground reality was that the agreement gave Maoists political identity while they had weapons, which he said was not acceptable to the Parties. He said that the managing of Maoist weapons and the cessation of Maoist extortion should take place "immediately." Som Nath Pyasi, Kaski District (western Nepal) Secretary (CPN-UML), was curious to see how the agreement was implemented and opined that a strong interim body should be formed before Parliament was dissolved. Dikendra Kandel, General Council Member Nepali Congress (NC) said that while he was "astonished" about the decision to dissolve Parliament, he thought the eight-point agreement would help check the sincerity of the Maoists.

CIVIL SOCIETY EXPRESSES OPTIMISM AND DOUBT...

15. (C) Subodh Pyakurel, President of the human rights NGO the Informal Sector Service Center (INSEC), explained that the signing of the agreement had shown the Maoists commitment to join the political mainstream. However, he too was "amazed" about the decision to dissolve Parliament since the re-instatement of Parliament was a prime mandate of the people during the pro-democracy movement. Pyakurel commented that the Party leaders failed to take a stand against the Maoists during the June 16 negotiations. Jeevanta Wagle, INSEC's Western Regional Coordinator, stressed that the main issue would be the agreement's implementation. He noted that Maoists continued to intimidate and extort people in the West in violation of the Code of Conduct. Wagle stressed that the Maoists should put down their weapons before the constituent assembly process began. Narayan Subedi, INSEC's Bardiya (far western Nepal) representative, separately worried to us about the need to "sincerely implement" the agreement. He noted that the people of Nepal wanted peace.

...AND LACK OF PLACE FOR WOMEN IN THE AGREEMENT

16. (C) Sapana Malla, President of the NGO Forum for Women, Law, and Development, expressed her displeasure with the

eight-point agreement as there was no place for women in it. She commented that the agreement revealed the lack of sincerity by the government and the Maoists for inclusive democracy. Malla criticized the government and Maoists for not including any women on the committee that would draft the interim constitution. She noted that women's groups held a rally in Gularia (Bardiya District, Western Nepal) on June 18, demanding that women be given respect and places in the various committees the government has formed in the past few days.

INDIANS MYSTIFIED AT SPEED OF PARTY-MAOIST NEGOTIATIONS

¶7. (C) With the Indian Ambassador engaged in a provincial PD event, Charge met June 19 with VP Haran, Indian Embassy DCM. Haran says that his government is "astounded" by the "remarkable and reckless speed" with which the Government of Nepal (GON) is pursuing its negotiations with the Maoists. He said that he and his Ambassador had spent the previous few days meeting with party leaders, many of whom were "in shock" by the June 16 agreement and had thought - even hoped - that somehow the Government of India (GoI) was behind recent developments. Haran recounted how the GoI had moved "heaven and earth" to allow PM G.P. Koirala's visit to New Delhi to take place with five days' notice and how, in addition to other elements of their assistance package, the GoI had given its first-ever grant-in-aid to another government to the Nepalis. He told Charge that several GoI officials had counseled PM Koirala that he was making too many quick concessions to the Maoists who were not making concomitant responses and that the GON urgently needed to come to an agreement on Maoist arms before making any major institutional changes, such as adjourning Parliament. The GoI finds itself besieged by Nepali politicians and the press asking whether the June 16 agreement was "Made In New Delhi" as a way of seeking reassurance that some Grand Plan exists.

¶8. (C) According to Haran, in a meeting with the Indian Ambassador June 15, the Prime Minister had made no mention of the plans for the next day, leading the Indians to conclude that "as in the past" Home Affairs Minister Krishna Prasad Sitaula continues to negotiate with the Maoists without keeping the PM entirely in the loop. Looking to the weeks ahead, Haran indicated the GoI will be supporting a role for the UN in arms management and human rights monitoring, but it will be urging the PM to consult more broadly with his Alliance and with the public. His government felt that "setting a sober tone" with clear objectives based on "democratic principles" could assure popular support for the Government that would be essential if people were not to conclude that the Maoists are assured of near-term control of the government. But most importantly, according to Haran, the GoI believes that reaching an agreement between the GON and the Maoists on the decommissioning of Maoist weapons is essential if a UN monitoring mission is to succeed and the process is to go forward successfully. "But who knows what they'll do next," he concluded.

UNITED NATIONS WAITING FOR LETTER

¶9. (C) Charge spoke with United Nations Resident Representative Matthew Kahane June 19 about the much-heralded letter from the GON to the UN to invite assistance with the monitoring of human rights under the Code of Conduct and with monitoring the decommissioning of weapons. Kahane told the Charge that he has not yet received a letter of request; however, he had been contacted by "every direction" about getting UN support. He indicated that he has been working informally with the Nepalis to get them to properly prepare their request, but that the approaches have all proposed that the UN take urgent action upon "unrealistic" timetables - expecting the UN to be on the ground in "about a month." Moreover, the GON vision of a role for UN "monitors" may be more than the UN staff can realistically undertake.

¶10. (C) A second generation UN bureaucrat, Kahane outlined the process toward getting UN observers on the ground in

Nepal. He speculated that although the UN bureaucracy was already preoccupied with monitoring in Darfur and East Timor, the Secretary General was likely to look with favor upon a Nepali request for assistance. Upon receipt of the letter, the Secretary General would likely send an "assessment mission out fairly soon" to take a look at the challenge. If an agreement was in place between the GON and the Maoists regarding weapons, then the UN and the GON would negotiate a Memorandum of Understanding that would permit the UN to undertake monitoring operations in the country. Kahane suggested that the UN observer team would not exceed "two dozen and perhaps fewer" military officials drawn from "outside this region." According to Kahane, it was unclear how the UN would pay for these operations - the Sec Gen might have to request that a voluntary fund be established to underwrite the mission. Finally, Kahane pointed out that the GON was "not asking advice and using its own expertise" on the way forward. He pointed out that absent a military agreement between the GON and the Maoists - something with which the Nepal Army had substantial experience with, based on Nepali participation in other UN missions worldwide - the UN would be reluctant to take on a monitoring task that was not based on "an element of trust between the parties."

CHINA, UK CONCERNED ABOUT MANAGEMENT OF ARMS

¶11. (C) A colleague from the People's Republic of China Embassy stressed that China was concerned that there was no mention of management of arms or a time line as to whether this would happen before elections or the Maoists joining an interim government. He also remarked how quickly the agreement had happened. A British Embassy colleague told us that the U. K official reaction was that the new eight-point agreement was fine, but the U.K. had strong concerns about arms management. She noted the U.K. was also concerned about the lack of international pressure on the arms management issue.

COMMITTEE TO DRAFT INTERIM CONSTITUTION ANNOUNCED

¶12. (SBU) On June 16, the negotiating teams also announced the members of a six-member interim constitution drafting committee headed by former Supreme Court justice Laxman Prasad Aryal. (Note: Aryal was also appointed June 15 to be a member of the five-person observer team for the talks. End Note.) The other five members are all lawyers: Harihar Dahal (NC supporter), Shambhu Thapa (head of the Nepal Bar Association), Mahadev Yadav (Nepali-Congress Democratic (NC-D) supporter), Sindhu Nath Pyakurel (People's Front Nepal supporter), and Khim Lal Devkota (Communist Party of Nepal-Maoist).

TEXT OF AGREEMENT

¶13. (U) The text of the Party-Maoist eight-point agreement follows (unofficial translation):

Begin Text.

¶1. Implementing firmly and honestly the 12-point understanding reached between the seven political parties and CPN (Maoist) on November 22, 2005 and the ceasefire code of conduct made public by the government-Maoist negotiation teams on May 26, 2006.

¶2. Expressing commitment to competitive multiparty governing system, civil liberties, fundamental rights, human rights, press freedom and democratic norms and values including the concept of rule of law, (the seven parties and the Maoists) will carry out their peaceful activities accordingly.

¶3. Requesting the United Nations to help manage the armies and weapons of both sides and to monitor it in order to ensure free and fair election for constituent assembly.

¶4. Framing an interim constitution by ensuring the democratic

rights acquired through the people's movement of 1990 and the recent historic movement, and by making the foundation the commitments expressed in the 12-point understanding and the spirit of the preamble of the ceasefire code of conduct; forming an interim government accordingly; announcing the date of constituent assembly elections; dissolving the House of Representatives by making alternative arrangements in consensus; and dissolving all people's governments formed by the CPN (Maoist).

¶15. Making decisions through consensus on issues of national importance that have far-reaching implications.

¶16. Ensuring basic rights so that the Nepali people can participate in the process of preparing the constitution by participating in the constituent assembly elections in the absence of any kind of fear, warnings, intimidation and violence. Involving international observation and monitoring as per the need during the election.

¶17. Restructuring the state in a progressive manner through constituent assembly election so that it can resolve all problems including those related to class, caste, region and gender. Translating into permanent peace the ceasefire between the Government of Nepal and CPN (Maoist) by keeping at the center democracy, peace, prosperity, progress and the country's freedom, sovereignty and self-respect; and expressing commitment to resolve all problems through dialogue.

¶18. The government-Maoist dialogue teams have been instructed to carry out all works related to the above-mentioned issues.

End Text.

COMMENT

¶14. (C) The speed with which the eight-point agreement was reached and announced was dizzying. Many in the capital were swooning over Prachanda's press conference appearance - perhaps in hopes that peace could truly be at hand. Yet the complete lack of consultation and transparency in the negotiations process demonstrated by PM Koirala and his adviser both for their political party coalition and the people of Nepal has many party leaders in shock. The agreement appears to be yet another series of concessions to the Maoists. We are surprised that the PM agreed to dissolve Parliament. Agreeing to draft an interim constitution in fifteen days and then form an interim government that would involve the Maoists within thirty days undermines repeated statements and private assurances that Maoist weapons would need to be put beyond use before/after they could be admitted to government.

¶15. (C) Whether this agreement could actually bring peace - and democracy - is the ten million dollar question. Its implementation and the monitoring of the Code of Conduct continue to be critical. The negotiators have not consulted the military or started work on a military agreement necessary for effective UN monitoring - and it is unlikely the UN can mobilize a monitoring team within thirty days. The point in the agreement about the monitoring of weapons is vague and even leaves open the possibility that Maoists could only temporarily lay down their weapons for constituent assembly elections. Stay tuned, this roller coaster ride isn't over yet.
SCHWARTZ